



Missouri Department of Revenue

Tax Bulletin

Volume 4, No. 1

Winter 1995



'Directly' Speaking ...

Happy New Year!
On behalf of the Department of Revenue

(DOR), I wish each of you a successful tax season! The DOR has developed and implemented several new forms and processes that are intended to simplify your work as practitioners, and improve Departmental return processing during the current busy season. Many of these improvements resulted from changes many of you suggested to us during the past year! We appreciate your recommendations and continued support!

Electronic Filing of Missouri Individual Income Tax Returns. Electronic filing is now a reality for Missouri individuals who plan to use Internal Revenue Service (IRS) approved providers. All original Forms MO-1040 and MO-1040A (balance due, zero, refund and no-balance-due) may be filed electronically. Electronic filing will reduce the turn-around time necessary for processing the returns and the refunds. Taxpayers may also opt to have their refunds directly deposited into their bank accounts. If you have any questions about the DOR's electronic return filing process, please call the Tax Program Coordinator at (314) 751-3930. We anticipate that electronic return filing will also eventually reduce the DOR's cost of tax return processing, thus enabling us to provide you, as taxpayers, with more efficient state operations.

FAX on Demand. The DOR has recently installed "FAX on Demand", an on-line system that allows practitioners and individual income tax filers who have fax machines to obtain blank Mis-

souri tax forms. To access this system, just call (314) 751-4800 (or TDD 1-800-735-2966 for the speech and hearing impaired) from your fax machine handset. The system will walk you through the steps necessary to request and obtain the forms you need by fax. Other than regular fax/phone line charges, there is no additional charge for using FAX on Demand. Forms printed from a plain-paper fax machine may be filed as-is; thermal fax paper forms must be re-copied onto plain paper before filing.

New Forms. New Form MO-1040A. In response to numerous requests, the DOR has changed the MO-1040A so that individuals who make estimated tax payments (and who do not owe penalties for the underpayment of estimated tax) can also use it.

New Form MO-2210. The DOR has revised Form MO-2210 to provide an easier method for individuals to compute estimated tax underpayment penalties. Your clients may use the new short method if they either: qualify to use the IRS's short method provided on Form 2210; have made their withholding and estimated payments equally throughout the year; or do not annualize their income.

Consolidation of Applications for changes in the Business Licenses. The DOR now has one form that can be used by taxpayers to apply for changes in registration. This new form will hopefully expedite taxpayers' address changes and other related matters. In passing, a related reorganization of the entire Central Registration Section has eliminated a historical several month

backlog in processing such registrations. Taxpayers can now expect the DOR to process their applications for business licenses in less than a week!

New Processes. Estimated Payment Voucher Process. At the suggestion of several practitioners, the DOR reviewed and revised its estimated tax payment vouchers and internal processing for MO-1040ES and MO-1120ES. Previously, the DOR required practitioners to use official DOR generated vouchers. Beginning in 1995, practitioners may now use substitute vouchers. The DOR does still recommend that taxpayers use the official vouchers to ensure correct and timely processing. Also during 1995, the DOR is converting the withholding tax voucher booklets with a Missouri fiscal year (July-June) to a calendar year basis.

Coming Soon: On-Line Tax Bulletin Board. The DOR is currently in the process of acquiring the software and installing an on-line tax bulletin board that, when completed, will contain tax information, news items and instructions for a wide variety of tax types. Practitioners will be able to access this system through their personal computer modems. The DOR will issue news releases and otherwise notify you as soon as this system becomes available.

I sincerely hope these changes will make dealing with the DOR a little easier this year — please let us know whether they prove to be helpful to you. Please also keep those excellent suggestions coming! Our goal is to continuously improve the services we provide to all taxpayers and tax practitioners.


Director of Revenue

Missouri Offers Electronic Filing Statewide in 1995

by Dennis Morrissey, Administrator, Central Processing Bureau, (314) 751-3930

The Department of Revenue (DOR) has joined with the Internal Revenue Service (IRS) to offer electronic filing of state individual income tax returns. The Federal/State Electronic Filing program enables taxpayers to file both their federal and state returns electronically through tax preparers. The program provides a "one stop shop" for tax preparation and filing and is now available statewide for filing 1994 tax returns. The program is available to all return preparers who have been accepted into the federal electronic filing program.

To apply to participate in the state program, a tax return preparer must mail a copy of his/her Federal Form 8633, Application to Participate in the Electronic Filing Program, and a copy of his/her IRS acceptance letter to the DOR. Once the DOR receives the document, the DOR will send the preparer a copy of the Missouri Handbook for Electronic Filers of Individual Income Tax Returns. This handbook provides all of the details about the state program.

Return preparers and transmitters will have to obtain or develop software to format return information. Since last April, the DOR has provided information about the program to the IRS approved software developers and transmitters. Copies of the final file specifications/record layouts, handbook, tax booklet 1 and 2, signature document (Form 8453), payment document (Form 9282) and test package were mailed to software developers and transmitters in November 1994. Ten software companies are currently or have developed a Missouri package. Testing of the federal/state software began in December and will end April 17, 1995.

Last year Missouri taxpayers electronically filed 347,000 federal returns. We anticipate many of these individuals will electronically file their state returns during this first year of Missouri's statewide program.

The DOR will accept original (not amended) MO-1040 and MO-1040A returns. Taxpayers may file balance due, refund and no-balance-due type returns. As an added benefit to the program, taxpayers may also elect to have their Missouri refunds electronically transferred (direct deposited) into their bank accounts.

The electronic filing program will benefit taxpayers, return preparers and the DOR. Director of Revenue, Janette Lohman, encourages taxpayers and return preparers to participate in this program.

If you have questions about electronic filing, please write to: Missouri Department of Revenue, Tax Program Coordinator, P.O. Box 371, Jefferson City, MO 65105 or call (314) 751-3930.

Form Ordering Made Easy

by Louis Wilbers, Administrator,
Automated Systems, (314) 751-7846

The Department of Revenue (DOR) recently implemented a forms retrieval system called Fax on Demand. This service provides access to forms twenty-four hours a day, seven days a week.

The Fax on Demand service allows you to call from the handset of your fax machine or a fax modem, select the forms you would like, press the start button of your fax machine and hang up the fax phone handset. The system immediately sends the documents to your fax machine or personal computer. Up to five different forms or instructions can be ordered per call. A document index of available forms can be obtained at the start of a call by ordering document number one.

The Fax on Demand system has four lines available for customer use. Most of the forms on the Form MO-33, Missouri Tax Form and Publication Order,

continued on page 3

In this issue

- **Missouri Offers Electronic Filing Statewide in 1995. . . . 2**
- **Form Ordering Made Easy. 2**
- **Letter Rulings. 3**
- **Rules Take Effect. 3**
- **Court Cases. 4-5**
- **Taxpayer Assistance 5**
- **Rate Changes 6**
- **1995 Tax Calendar. 8**



Missouri Department of Revenue

Mel Carnahan, Governor; **Janette M. Lohman**, Director of Revenue; **Robert G. Schemenauer**, Director Division of Taxation and Collection
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Form Ordering Made Easy

continued from page 2

are available through the system. Additional forms and document types will be available in the future.

The DOR has established standards governing the use of reproduced forms. If you are unfamiliar with these standards, please select document number 500, Guidelines for Substitute and Reproduced Income Tax Forms. Under these guidelines, if you do not have a plain paper fax machine, you must photocopy the faxed copy on plain 20 lb. bond paper prior to submitting the document to the DOR.

The telephone number for the Fax on Demand service is (314) 751-4800. For more information about this service, contact the Fax on Demand System Administrator, Missouri Department of Revenue, Divisional Support Services, P.O. Box 3022, Jefferson City, Missouri, 65105-3022 or call (314) 751-3651.

Rules Take Effect

*by Vickie Wood, Legislative Secretary,
Office of Legislation and Regulations,
(314) 751-2110*

There are several rules relating to taxes that either have recently gone into effect or will become effective in the near future. A short recap of each rule is listed below along with the rule number and remarks about the effective date of the regulation.

****12 CSR 10-2.017 Transient Employer Financial Assurance Instrument for Employer's Withholding Tax.** Amendment includes professional athletes and entertainers in the definition of "transient employer".

12 CSR 10-2.190 Partners and S Corporation Shareholders Composite Individual Income Tax Return Filing Requirements and Withholding of Income Tax Requirements. Clarifies the circumstances which a composite individual income tax return for nonresident partners or nonresident S corporation shareholders may be filed and the general contents of the return as well as the withhold-

Letter Rulings

by Ken Pearson, Administrator, Tax Administration Bureau, (314) 751-3804

This issue of the Tax Bulletin contains a listing of letter rulings issued during the period May through December 1994.

- | | |
|--|---|
| L7280 Sales tax on research and employment services. | L7507 Applicability of sales tax to items temporarily stored in Missouri for use out of state. |
| L7300 Sales tax on the sale and installation of iron and steel products. | L7566 Applicability of sales tax to propane used in chick production. |
| L7329 Sales tax on printed materials mailed to an out-of-state address. | L7613 Applicability of sales tax to receipts derived from food service provided to an exempt organization by a food service provider. |
| L7343 Applicability of sales tax to fees for the use of printing master plates. | L7656 Apportionment of Low Income Housing Credit. |
| L7346 Individual income tax claim of right. | L7696 Applicability of sales tax to hatchery equipment. |
| L7351 Applicability of sales tax to hatchery equipment and live haul cages. | L7697 Applicability of sales tax to the delivery of natural gas. |
| L7359 Taxability of transportation charges on property sold incident to the liquidation of a business. | L7710 Applicability of sales tax to out-of-state shipments. |
| L7383 Applicability of sales tax to price discounts. | L7735 Applicability of sales tax to receipts derived from food service provided to an exempt organization by a food service provider. |
| L7389 Applicability of sales tax to medical equipment. | L7765 Applicability of sales tax to materials and inventory sold incident to the liquidation of a manufacturing plant. |
| L7407 Applicability of sales tax to fees paid in/to a municipal golf course. | L7860 Applicability of sales tax to the sale of loan collateral by a financial institution. |
| L7433 Applicability of sales tax to check authorization and verification services. | |
| L7438 Point of taxation for other tobacco products. | |

Copies of the sanitized version of these letter rulings are available at a cost of \$1.10 plus sales tax each by writing to the Department of Revenue, Tax Administration Bureau, Post Office Box 629, Jefferson City, Missouri 65105-0629.

ing requirements for nonresident partners and shareholders. Limited Liability Companies which are treated as partnerships for income tax purposes will be considered partnerships for purposes of this rule.

Emergency Amendment – Appeared in the 10/3/94 *Missouri Register*. Effective 9/24/94, expires 1/21/95. An additional emergency amendment has been filed and appeared in the 1/2/95 *Missouri Register*. Effective 1/22/95, expires 4/21/95.

Order of Rulemaking – An Order of Rulemaking has been filed with the Joint Committee on Administrative Rules. Department is currently in its 30 day waiting period.

****12 CSR 10-2.225 Withholding of Tax by Nonresident Professional Athletic Teams.** Clarifies requirement of nonresident professional athletic teams to file a financial assurance instrument as a "transient employer".

continued on page 7

Court Cases

by General Counsel's Office,
(314) 751-2633

Sales Tax

Steve Robertson, d/b/a Robertson's Creative Photography, Case No. 93-000048RV (AHC, 9/20/94).

The Department (DOR) after audit found Steve Robertson (Taxpayer)

liable for sales and use tax on various items. Assessments were issued based on these findings and the Taxpayer appealed these assessments to the Administrative Hearing Commission (AHC).

Taxpayer operated a photography studio and provided portraiture, commercial photography, wedding photography, photo repair, restoration, copying, videography, aerial photog-

raphy, and lithography. Taxpayer would meet with his customer prior to the portrait. Taxpayer would charge a sitting fee to his customer to compensate for his labor during the consultations and the camera sessions. The sitting fee was separately stated on the invoice from the portrait itself. Taxpayer did not collect sales tax on the amount of sitting fees.

Taxpayer separately stated the labor charges resulting from his time for planning, photographing, and processing and did not collect sales tax on this labor. Taxpayer also made purchases of certain supplies and issued resale exemption certificates on the purchase of these supplies. Taxpayer also purchased extension cords, a filter, two King Concept reels, a Bantam battery, a Nikon lens, and a name list which was used as a source for potential clients.

The DOR found Taxpayer was liable for sales tax on the labor charges, sitting fees and purchases in which Taxpayer claimed sale for resale. The assessments resulted in a sales and a use tax delinquency.

At issue was whether sales tax would be imposed on the labor and sitting fees charged by the Taxpayer separately stated on the invoices. The AHC applied the true object or essence of the transaction test to determine whether these transactions were taxable transfers of tangible personal property. In regard to the lithographs, the AHC found Taxpayer was providing a service as opposed to the sale of tangible personal property and concluded these transactions were actually sales of service. However, the Taxpayer failed to meet his burden of proof on this issue. As far as the sitting fees for the portraits, the Taxpayer's position was that the end product, i.e., the photograph, was the true essence of the transaction. The AHC disagreed and stated "the separate sitting fee is unique to the process by which Taxpayer's portrait customers decide whether to buy the fin-

Income Tax

Lemay Building Corporation v. Director of Revenue, Case No. 76731 (Mo Banc 1994).

The Missouri Supreme Court (Court) affirmed the Administrative Hearing Commission's decision that income received from a mobile home park (Ridgewood) in Florida is income earned partly within and partly without Missouri, pursuant to Section 143.451, RSMo Supp. 1988.

Lemay (Taxpayer) is a Missouri corporation engaged in business as a real estate holding company. Its president maintains his normal working office in Missouri. Taxpayer owns Ridgewood in Florida. In its president, Taxpayer retained final decision-making authority over Ridgewood's operation. Taxpayer retained a Missouri management corporation that shares office space with Taxpayer in Missouri to provide bookkeeping and tax preparation services for Ridgewood.

Taxpayer's May 1989 to April 1990 Missouri income tax return elected to use the single factor apportionment formula contained in Section 143.451.2(2)(b). The Court stated a clear outline of Missouri law on this issue is provided in **J.C. Nichols Co. v. Director of Revenue**, 796 S.W. 2d 16, 17-18 (Mo. banc 1990): "since the overall effort of [Nichols'] income-producing activities was directed from [the Missouri] office, and the management structure which produced the income from [out-of-state] properties was in Missouri, the income was partially within Missouri and partially within another state."

The Court found the following activities demonstrate considerable Missouri activity in the management of Ridgewood and in the production of its income: Taxpayer's president maintains final authority over all decisions made by Ridgewood's manager, signs checks on Ridgewood's general account, has authority to withdraw excess funds from that account and visits Ridgewood three to four times per year to review business with the manager; and all bookkeeping and tax preparation services are performed in Missouri by a contractor chosen by and serving at the pleasure of Taxpayer. Taxpayer "clearly maintained enough participation and control to be an efficient cause contributing directly to the production of Ridgewood's income and to render the transactions partly within and partly without Missouri." The Court stated "merely possessing the authority is sufficient" and signing checks and visiting Ridgewood regularly shows sufficient involvement, even without the exercise of his veto power.

continued on page 5

Sales Tax

continued from page 4

ished portraits." The AHC also held that the labor charges were taxable.

Taxpayer argued the purchase of nonconsumable items were actually purchases of replacement machinery or equipment or machinery used to expand his plant. AHC found the reel was not a purchase of a replacement part and found Taxpayer liable for sales tax on this purchase. Taxpayer claimed the nonconsumable items expanded his manufacturing plant but the AHC found Taxpayer did not meet his burden of proof on this issue. AHC found Taxpayer did not meet his burden of proof to show that he was not liable for the sales tax on purchases in which Taxpayer issued exemption certificates. Taxpayer's purchase of film as well as the purchase of the list were held taxable by the AHC.

Sales Tax

Rhonda Saettone, d/b/a Hi Tech Audio Electronics, Case No. 94-000074RV (AHC, 9/16/94).

Rhonda Saettone (Taxpayer) installed automobile accessories for car dealerships, provided a repair service for the general public, repaired electronic audio and video equipment and was also in the business of selling parts at retail which was separate from the repair service. In July 1991, Taxpayer received from the Department (DOR) a retail sales tax license. Taxpayer purchased these parts with resale exemption certificates and subsequently sold the items and collected and remitted the sales tax.

On July 30, 1993, Taxpayer's sales tax license was revoked for failure to remit \$1,000 in sales tax. On August 19, 1993, the DOR issued a revocation order on Taxpayer. From August 20, 1993 to November 2, 1993, Taxpayer continued to engage in the business of selling tangible personal property, col-

lected sales tax from these transactions and remitted sales tax to the DOR. On December 17, 1993, the DOR issued an assessment of \$6,700 against Taxpayer as a penalty under Section 144.118.1 RSMo. Taxpayer argued although they collected and remitted sales tax during the period in which their license was revoked, they were not engaging in the business of selling tangible personal property during that time, but instead, operated their business as a repair service and discontinued selling any parts at retail.

AHC found the submission of a sales tax return by Taxpayer was sufficient evidence Taxpayer was engaging in retail sales and concluded Taxpayer was engaged in the business of selling tangible personal property without a valid Missouri sales tax license. Since the bulk of the business appeared to be repair as opposed to retail sales, the AHC reduced the assessment to \$3,350 and Taxpayer was required to remit the same to the DOR.

Taxpayer Assistance Department of Revenue Field Offices

Cape Girardeau

3102 Blattner, Suite 102
P.O. Box 909
Cape Girardeau, MO 63702-0909
(314) 290-5852

Jefferson City

1617 Southridge Dr.
P.O. Box 385
Jefferson City, MO 65105-0385
(314) 751-7191

Joplin

1110 E. Seventh St., Suite 400
Joplin, MO 64801-2286
(417) 629-3070

Kansas City

State Office Building, Room B2
615 East 13th St.
Kansas City, MO 64106-4039
(816) 889-2944

Kirksville

300 E. Northtown Road, Suite B
Northtown Shopping Center
P.O. Box 964
Kirksville, MO 63501-0964
(816) 785-2412

St. Joseph

State Office Building, Room 314
525 Jules
St. Joseph, MO 64501-1900
(816) 387-2230

St. Louis

2510 South Brentwood, Suite 300
Brentwood, MO 63144-2391
(314) 968-4740

Springfield

State Office Building, Room 313
149 Park Central Square
Springfield, MO 65806-1386
(417) 895-6474

Rate Changes

by Sharon Wilson, Tax Administration
Bureau, (314) 751-3111

The following counties and cities local sales tax rates have changed effective January 1, 1995.

Clay County (MITS County Code 047) one-fourth percent (1/4%) capital improvements sales tax will expire December 31, 1994. Its total sales tax rate will be 4.975%.

This will affect the following cities in Clay County:

| CITY NAME | CITY CODE | TOTAL RATE |
|-------------------|-----------|------------|
| Avondale | 02800 | 4.975% |
| Birmingham | 05824 | 5.975% |
| Claycomo | 14554 | 4.975% |
| East Kansas City | 20926 | 4.975% |
| Excelsior Springs | 23086 | 6.975% |
| Gladstone | 27190 | 6.475% |
| Glenaire | 27262 | 4.975% |
| Holt | 32752 | 6.475% |
| Independence | 35000 | 5.975% |
| Kansas City | 38000 | 6.475% |
| Kearney | 38072 | 6.475% |
| Lawson | 40988 | 6.475% |
| Liberty | 42032 | 6.475% |
| Missouri City | 48980 | 4.975% |
| Mosby | 50168 | 5.975% |
| Nashua | 51212 | 4.975% |
| North Kansas City | 53102 | 6.475% |
| Oaks | 53804 | 4.975% |
| Oakview | 53858 | 6.475% |
| Oakwood | 53894 | 4.975% |
| Oakwood Manor | 53930 | 4.975% |
| Oakwood Park | 53948 | 4.975% |
| Pleasant Valley | 58520 | 6.475% |
| Prathersville | 59816 | 4.975% |
| Randolph | 60608 | 5.975% |
| Smithville | 68420 | 6.475% |
| Sugar Creek | 71368 | 5.975% |

Crawford County (MITS County Code 055) has imposed a one-eighth percent (1/8%) capital improvement sales tax for E-911. Its total sales tax rate will be 5.350%.

This will affect the following cities in Crawford County:

| CITY NAME | CITY CODE | TOTAL RATE |
|-------------|-----------|------------|
| Berryman | 04978 | 5.350% |
| Bourbon | 07534 | 6.850% |
| Cherryville | 13564 | 5.350% |
| Cookstation | 16210 | 5.350% |
| Cuba | 17668 | 6.850% |
| Davisville | 18460 | 5.350% |
| Dillard | 19522 | 5.350% |
| Leasburg | 41114 | 5.350% |
| St. Cloud | 64172 | 5.350% |
| Steelville | 70576 | 6.350% |
| Sullivan | 71440 | 6.850% |
| Wesco | 78460 | 5.350% |

Dallas County (MITS County Code 059) has extended its one-half percent (1/2%) capital improvements sales tax. Its total sales tax rate will remain 5.725%. This tax also applies to domestic utilities.

This will affect the following cities in Dallas County:

| CITY NAME | CITY CODE | TOTAL RATE |
|------------|-----------|------------|
| Buffalo | 09514 | 6.725% |
| Long Lane | 43868 | 5.725% |
| Louisburg | 44156 | 5.725% |
| Plad | 58070 | 5.725% |
| Tunas | 74086 | 5.725% |
| Urbana | 75310 | 6.725% |
| Windyville | 80404 | 5.725% |

Dekalb County (MITS County Code 063) has extended its one-half percent (1/2%) capital improvements sales tax. Its total sales tax rate will remain 5.225%.

This will affect the following cities in Dekalb County:

| CITY NAME | CITY CODE | TOTAL RATE |
|---------------|-----------|------------|
| Amity | 01054 | 5.225% |
| Cameron | 10828 | 6.225% |
| Clarksdale | 14158 | 5.225% |
| Fairport | 23446 | 5.225% |
| Maysville | 46946 | 6.225% |
| Osborn | 55352 | 5.225% |
| Stewartsville | 70738 | 5.225% |
| Union Star | 75130 | 5.225% |
| Weatherby | 78028 | 5.225% |

Holt County (MITS County Code 087) has extended its one-half percent (1/2%) capital improvements sales tax. Its total sales tax rate will remain 6.225%.

This will affect the following cities in Holt County:

| CITY NAME | CITY CODE | TOTAL RATE |
|-------------|-----------|------------|
| Bigelow | 05464 | 6.225% |
| Corning | 16462 | 6.225% |
| Craig | 17056 | 6.225% |
| Forest City | 25066 | 6.225% |
| Fortescue | 25228 | 6.225% |
| Maitland | 45596 | 6.225% |
| Mound City | 50312 | 6.725% |
| New Point | 52202 | 6.225% |
| Oregon | 54848 | 6.225% |

Johnson County (MITS County Code 101) has extended its one-half percent (1/2%) capital improvements sales tax. Its total sales tax rate will remain 5.725%.

This will affect the following cities in Johnson County:

| CITY NAME | CITY CODE | TOTAL RATE |
|--------------|-----------|------------|
| Centerview | 12682 | 5.725% |
| Chilhowee | 13654 | 6.725% |
| Holden | 32572 | 7.225% |
| Kingsville | 38918 | 5.725% |
| Knob Noster | 39188 | 7.225% |
| Latour | 40862 | 5.725% |
| Leeton | 41402 | 7.225% |
| *Warrensburg | 77092 | 7.225% |
| Whiteman | 79414 | 5.725% |
| Whiteman AFB | 79432 | 5.725% |

*Warrensburg (MITS city code 77092) has imposed a one-half percent (1/2%) capital improvements sales tax. Its total sales tax rate will be 7.225%. This tax also applies to domestic utilities.

Laclede County (MITS County Code 105) has imposed a one-half percent (1/2%) law enforcement sales tax. Its total sales tax rate will be 5.225%.

This will affect the following cities in Laclede County:

| CITY NAME | CITY CODE | TOTAL RATE |
|--------------|-----------|------------|
| Conway | 16192 | 6.725% |
| Eldridge | 21538 | 5.225% |
| Falcon | 23590 | 5.225% |
| *Lebanon | 41168 | 7.225% |
| Lynchburg | 44678 | 5.225% |
| Nebo | 51320 | 5.225% |
| Phillipsburg | 57368 | 5.225% |
| Richland | 61562 | 6.725% |
| Sleeper | 68222 | 5.225% |
| Stoutland | 71008 | 6.225% |

*Lebanon (MITS city code 41168) has extended its one-half percent (1/2%) capital improvements sales tax. Its sales tax rate will be 7.225%.

Linn County (MITS County Code 115) has extended its one-half percent (1/2%) capital improvements sales tax. Its total sales tax rate will remain 5.225%. This tax also applies to domestic utilities.

This will affect the following cities in Linn County:

| CITY NAME | CITY CODE | TOTAL RATE |
|---------------|-----------|------------|
| Brookfield | 08650 | 6.725% |
| Browning | 08884 | 6.225% |
| Bucklin | 09388 | 6.225% |
| Laclede | 39566 | 5.225% |
| Linneus | 43292 | 5.225% |
| Marceline | 45866 | 6.225% |
| Meadville | 47036 | 5.225% |
| New Boston | 51698 | 5.225% |
| Purdin | 60158 | 5.225% |
| St. Catharine | 64046 | 5.225% |

Moniteau County (MITS County Code 135) has imposed a one-half percent (1/2%) capital improvements sales tax for E-911. Its total sales tax rate will be 5.225%.

This will affect the following cities in Moniteau County:

| CITY NAME | CITY CODE | TOTAL RATE |
|------------|-----------|------------|
| California | 10468 | 6.225% |
| Clarksburg | 14140 | 5.225% |
| Fortuna | 25300 | 5.225% |
| Highpoint | 32104 | 5.225% |
| Jamestown | 36368 | 5.225% |
| Latham | 40808 | 5.225% |
| Lupus | 44498 | 5.225% |
| McGirk | 45056 | 5.225% |
| Sandy Hook | 65846 | 5.225% |
| Tipton | 73420 | 6.225% |

St. Francois County (MITS County Code 187) has extended its one-fourth percent (1/4%) capital improvements sales tax. Its total sales tax rate will remain 5.475%.

This will affect the following cities in St. Francois County:

| CITY NAME | CITY CODE | TOTAL RATE |
|-----------|-----------|------------|
| Bismarck | 05878 | 6.975% |
| Blackwell | 06220 | 5.475% |

continued on page 7

Rate Changes

continued from page 6

| | | |
|-----------------|-------|--------|
| Bonne Terre | 07102 | 7.225% |
| Cantwell | 11170 | 5.475% |
| Desloge | 19216 | 7.475% |
| Doe Run | 19684 | 5.475% |
| Fairview Acres | 23572 | 5.475% |
| Farmington | 23752 | 6.975% |
| Frankclay | 25516 | 5.475% |
| French Village | 25984 | 5.475% |
| Highley Heights | 32086 | 5.475% |
| Iron Mountain | 35432 | 5.475% |
| Knob Lick | 39170 | 5.475% |
| Leadington | 41024 | 6.475% |
| Leadwood | 41078 | 6.475% |
| Park Hills | 56272 | 7.475% |
| Wortham | 81088 | 5.475% |

The City of Glasgow (MITS City Code 27208) has extended its one-fourth percent (1/4%) capital improvements sales tax. Its total sales tax rate will remain 6.975% for Chariton County (Code 041) and 7.475% for Howard County (Code 089). This tax also applies to domestic utilities.

The City of Granby (MITS City Code 28108) has imposed a one percent (1%) sales tax. Its total sales tax rate will be 7.475%. This tax also applies to domestic utilities.

The City of Hannibal (MITS City Code 30214) has extended its one-half percent (1/2%) capital improvements sales tax. Its total sales tax rate will remain 6.725% for Marion County (code 127) and 6.725% for Ralls County (Code 173).

The City of Holts Summit (MITS City Code 32770) has extended its one-half percent (1/2%) transportation sales tax. Its sales tax rate will remain 6.725%.

The City of Levasy (MITS City Code 41762) has imposed a one percent (1%) sales tax. Its total sales tax rate will be 5.975%.

The City of Licking (MITS City Code 42464) has imposed a one-half percent (1/2%) capital improvements sales tax. Its total sales rate will be 6.225%.

*The City of Manchester (MITS City Code 45668) has imposed a one-fourth percent (1/4%) city sales tax. Its total sales tax rate will be 6.225%.

The City of Miner (MITS City Code 48656) has imposed a one-half percent (1/2%) capital improvements sales tax. Its total sales tax rate will be 6.725%.

The City of O'Fallon (MITS City Code 54074) has extended its one-half percent (1/2%) transportation sales tax. Its total sales tax rate will remain 7.225%.

The City of Old Monroe (MITS City Code

54416) has imposed a one-fourth percent (1/4%) capital improvements sales tax. Its total sales tax rate will be 7.225%.

The City of Paris (MITS City Code 56144) has imposed a one-half percent (1/2%) capital improvements sales tax. Its total sales tax rate will be 7.225%.

The City of Raytown (MITS City Code 60788) has extended its one percent (1%) sales tax. Its total sales tax rate will remain 5.975%.

The City of River Bend (MITS City Code 62056) has incorporated and imposed a one percent (1%) sales tax. Its total sales tax rate will be 5.975%.

The City of Sarcoxie (MITS City Code 65990) has imposed a one-half percent (1/2%) transportation sales tax. Its total sales tax rate will be 6.450%.

The City of Versailles (MITS City Code 75922) has extended its one-half percent (1/2%) capital improvements sales tax. Its total sales tax rate will remain 6.225%.

The City of Wright City (MITS City Code 81124) has imposed a one-fourth percent (1/4%) capital improvements sales tax. Its total sales tax rate will be 7.475%.

If you have any questions, please contact the Tax Administration Bureau, Technical Support Section, (314) 751-3111.

Rules Take Effect

continued from page 3

****12 CSR 10-2.226 Withholding of Tax by Nonresident Professional Entertainers.** Establishes guidelines for withholding of income tax as specified in Sections 143.191-143.265 and 285.230, RSMo.

****12 CSR 10-3.023 Rebates.** Amendment clarifies the exemption of motor vehicle rebates.

****12 CSR 10-3.184 Electricity, Water and Gas.** Clarifies the applicability of sales tax to the sale of electricity, water and gas used in apartment complexes and condominiums.

12 CSR 10-3.244 Trade-Ins. Amendment interprets the sales tax law allowing a purchase contract date to be used in determining a replacement vehicle sales tax credit.

Proposed Amendment – Appeared in the 1/2/95 Missouri Register. In comment period until 2/2/95.

****12 CSR 10-3.278 Agricultural Feed and Feed Additives.** Clarifies the applicability of sales tax on agricultural feed and feed additives.

****12 CSR 10-3.388 Construction Materials.** Amendment details the information needed by contractors to purchase construction materials for exempt organizations.

****12 CSR 10-3.428 Cigarette and Other Tobacco Products Sales.** Clarifies the applicability of sales tax to other tobacco products.

****12 CSR 10-3.436 Manufactured**

Homes. Clarifies the taxability of new manufactured homes.

****12 CSR 10-3.476 Replacing or Applying for Return of Bond.** Amendment reduces the amount of time the bond is to be on file when there are no tax compliance problems.

****12 CSR 10-3.516 Application for Refund/Credit – Amended Returns.** Amendment reflects recent statutory changes in refund procedures.

****12 CSR 10-3.850 Veterinary Transactions.** Clarifies the exemption of veterinarian supplies.

****12 CSR 10-3.886 Exemption for Construction Materials Sold to Exempt Entities.** Clarifies the procedure that must be followed when contractors make purchases of construction material on behalf of certain exempt entities.

****12 CSR 10-3.892 Light Aircraft – Light Aircraft Kits.** Rule interprets the sales tax law as it applies to the purchase of new light aircraft, light aircraft kits and such parts and components.

****12 CSR 10-3.894 Animal Bedding – Exemption.** Rule interprets the sales tax law as it applies to animal bedding.

****12 CSR 10-4.127 Vendors Use Tax vs. Consumers Use Tax.** Clarifies the filing threshold for consumers use tax.

****Emergency Amendments & Rule – Emergency rulemakings appeared in the 1/17/95 Missouri Register.** Effective 12/26/94, expires 4/25/95.

****Orders of Rulemaking – Orders of rulemaking appeared in the 1/17/95 Missouri Register.**

Chapter 12 – Bingo Tax Rules – 12 CSR 10-12.010 through 12 CSR 10-12.515. Rules were rescinded. Missouri Gaming Commission assumed responsibility for the administration of bingo laws effective 7/1/94. New rules have been proposed by the Missouri Gaming Commission.

Emergency rescissions – Emergency rescissions appeared in the 12/15/94 Missouri Register. Effective 12/9/94, expires 4/7/95.

Orders of Rulemaking – Orders of Rulemaking appeared in the 12/15/94 Missouri Register.

12 CSR 10-41.010 Annual Adjusted Rate of Interest. Amendment established the 1995 annual adjusted rate of interest to be charged or paid on tax underpayments and overpayments at 12% as prescribed by Section 32.065, RSMo.

Emergency Amendment – Emergency amendment appeared in the 11/15/94 Missouri Register. Effective 1/1/95, expires 4/30/95.

Proposed Amendment – Proposed amendment appeared in the 12/1/94 Missouri Register. In comment period until 12/31/94.

If you would like to receive a copy of any of the rules listed above, please contact the Secretary of State, Administrative Rules Division, P.O. Box 778, Jefferson City, MO 65102.

1995 Tax Calendar

Due Dates for February 95 — June 95

February

- 3 Quarter-Monthly Sales Tax
Quarter-Monthly Withholding Payment
- 10 Quarter-Monthly Sales Tax
Quarter-Monthly Withholding Payment
- 15 Quarter-Monthly Withholding
Reconciliation
Monthly Withholding Returns
Cigarette Tax Credit Account and
Returns
Other Tobacco Products Monthly Report
Other Tobacco Products Annual License
Renewals
- 21 Monthly Sales/Use Tax Returns
Quarter-Monthly Sales Tax
Cigarette Tax Cash Account Returns
Quarter-Monthly Withholding Payment
- 27 Quarter-Monthly Sales Tax
Quarter-Monthly Withholding Payment
- 28 Motor Fuel/Special Fuel Reports

March

- 1 MO-1040 Due For Farmers to Achieve
Underpayment Exempt Status
Quarterly Insurance Tax Payment
- 3 Quarter-Monthly Sales Tax
Quarter-Monthly Withholding Payment
- 10 Quarter-Monthly Sales Tax
Quarter-Monthly Withholding Payment
- 15 Quarter-Monthly Withholding
Reconciliation
Monthly Withholding Returns
Cigarette Tax Credit Account and Return
Other Tobacco Products Monthly
Reports
- 20 Monthly Sales/Use Tax Returns
Quarter-Monthly Sales Tax
Cigarette Tax Cash Account Returns
Quarter-Monthly Withholding Payment
- 27 Quarter-Monthly Sales Tax
Quarter-Monthly Withholding Payment
- 31 Motor Fuel/Special Fuel Reports

April

- 5 Quarter-Monthly Sales Tax
Quarter-Monthly Withholding Payment
- 12 Quarter-Monthly Sales Tax
Quarter-Monthly Withholding Payment
- 17 Estimated Tax Declaration for
Individuals
Declaration of Estimated Tax for
Calendar Year Corporations
Individual Income Tax for Calendar
Year Filers
Corporation & Foreign Corporation
Income Tax for Calendar Year Filers
Partnership Income Tax for Calendar
Year Filers
Fiduciary Income Tax for Calendar
Year Filers
S Corporation Income Tax for Calendar
Year Filers
Property Tax Credit Claim
Financial Institution Tax Return
Application for Extension of
Time to File
Cigarette Tax Credit Account and Return
Other Tobacco Products Monthly Report
- 19 Quarter-Monthly Sales Tax
Quarter-Monthly Withholding Payment
- 20 Cigarette Tax Cash Account Returns
- 26 Quarter-Monthly Sales Tax
Quarter-Monthly Withholding Payment

May

- 1 Monthly Sales/Use Tax Returns
Quarterly Sales/Use Tax Returns
Quarter-Monthly Withholding
Reconciliation
Quarterly Withholding Returns
Monthly Withholding Returns
Motor Fuel/Special Fuel Reports
Tire Fee
Quarterly Insurance Tax Payments

Quarterly Interstate Fuel Tax User Report

- 3 Quarter-Monthly Sales Tax
Quarter-Monthly Withholding Payment
- 10 Quarter-Monthly Sales Tax
Quarter-Monthly Withholding Payment
- 15 Quarter-Monthly Withholding
Reconciliation
Monthly Withholding Returns
Cigarette Tax Credit Account and
Returns
Other Tobacco Products Monthly Report
- 18 Quarter-Monthly Sales Tax
Quarter-Monthly Withholding Payment
- 22 Monthly Sales/Use Tax Returns
Cigarette Tax Cash Account Returns
- 25 Quarter-Monthly Sales Tax
Quarter-Monthly Withholding Payment
- 31 Motor Fuel/Special Fuel Reports

June

- 1 Quarterly Insurance Tax Payments
- 5 Quarter-Monthly Sales Tax
Quarter-Monthly Withholding Payment
- 12 Quarter-Monthly Sales Tax
Quarter-Monthly Withholding Payment
- 15 Estimated Tax Declarations for
Individuals
Declaration of Estimated Tax for
Calendar Year Corporations
Quarter-Monthly Withholding
Reconciliation
Monthly Withholding Returns
Cigarette Tax Credit Account and Return
Other Tobacco Products Monthly Report
- 20 Monthly Sales/Use Tax Returns
Quarter-Monthly Sales Tax
Quarter-Monthly Withholding Payment
Cigarette Tax Cash Accounts Return
- 27 Quarter-Monthly Sales Tax
Quarter-Monthly Withholding Payment
- 30 Motor Fuel/Special Fuel Reports

Tax Bulletin
Missouri Department of Revenue
P.O. Box 629
Jefferson City, MO 65105-0629

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